GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – Guidelines for prioritization of release of sanctioned incentives to Women/MSME/Sick Enterprises and Industries intends to go for expansion or diversify their projects, on case to case basis, basing on the merit of the enterprise – Orders - Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No. 32 Dated: 07-02-2019

Read the following:-

1. G.O.Ms.No.108, Industries and Commerce(P&I) Department Dated 14.11.2015.
2. e-file No.INC02-17025/4/2018- SW&IIPCELL&MP - DOI of Commissioner of Industries

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ORDER :

Government have issued operational guidelines in the G.O.1st read above, duly laying down the disbursal procedure for sanctioned incentives under Industrial Development Policy 2015-2020 and other sectoral policies.

2. As per the Operational Guidelines in para 24.4, the incentives are being released as per the seriatim of sanctioned claims based on the availability of budget, duly adhering to the seriatim as per para 25.1 while processing the claim application for sanction of incentives, without any prioritization of claims pertaining to Women/MSME/Sick Enterprises and Industries which intend to expand/diversify their projects.

3. In the reference 2nd read above, the Commissioner of Industries informed that representations have been received from some of the entrepreneurs for release of incentives on priority basis without following the seriatim of the claims to those Industries pertaining to Women/MSME/Sick Enterprises and Industries which intend to expand/diversify their projects, as they are facing hardships /lack of working capital.

4. Considering the genuine hardships of the above said category of Industries and also to create an eco-system for the existing Large /Mega industries to reinvest their earning within the State through expansion or diversification, the Commissioner of Industries has proposed

to authorize the State Level Committee for prioritizing the release of incentives on case to case basis, basing on the merit of the enterprise.

5. Government after careful examination of the proposal of Commissioner of Industries, hereby authorise the State Level Committee, to prioritize the release of incentives sanctioned to Women/MSME/Sick Enterprises and Industries intend to expand or diversify their projects, on case to case basis, basing on the merit of the enterprise as per the guidelines detailed hereunder:

Guidelines:

In addition to the Guidelines already issued at para No. 25.1 of Operational Guidelines issued vide G.O.Ms.No.108, Ind. & Com. (P&I) Dept., Dt.14-11-2015, the following guidelines shall be followed for prioritization of claims for release of sanctioned incentives as detailed below:

(1) Eligible Categories

(i) MSME's
(ii) Sick units, Certified by the banker and DIPC
(iii) Women Entrepreneurs - 100% share of women entrepreneurs.
(iv) Projects going for expansion /Diversification -Projects Intend to re-invest with over and above 50% of the cost of original project and 50% capacity enhancement over the original capacity.

(2) Eligibility Criteria

(i) Units shall obtain the single window clearances
(ii) Sanction letter from the Bank /Financial Institute

(3) Benefits

(a) Expansion/Diversification/New Unit
  (i) All the eligible units reinvesting in the State through expansion/diversification/ New units will be provided the incentives out of turn for two (2) years limited to 35% of the new investment in two (2) equal installments.
(b) Other Categories - MSME/Women/Sick
  (i) 25% of the FCI or Rs.1.00Crore for MSME and Women Enterprises, whichever is less for two (2) years.

These incentives will be a combination of Investment subsidy, Stamp duty and Power cost, Sales Tax. The quantum of amount shall be limited to the combination of all types of incentives viz. Investment subsidy/ Power tariff / Interest subsidy / Sales Tax.

(4) Procedure

(a) Timely release of incentives is critical for new projects investing in their projects and all such proposals be cleared, through special District Industries Promotion Committee meetings/State Level Committee meetings on monthly basis.

(b) The MSMEs/ Large and Mega Projects shall file an application / representations in DICs concerned along with relevant documents for release of incentives on priority basis. The GM will scrutinize and recommend to the Commissioner of Industries, post approval in special DIPC on monthly basis. Then the proposals will be placed in the special SLC and as per the decision taken basing on the merits and genuineness of the Enterprises, the incentives will be released subject to the following conditions:

(i) In case of Large and Mega Industries, after prioritization of incentive claims by SLC, the approval of Government shall be obtained for release.
(ii) The other sanctioned incentives will be disbursed according to regular procedure after verification of the conditions under which the incentives were released on priority.
(iii) The Financial Institution confirms that the unit is declared as NPA on genuine reasons but not a wilful defaulter in the cases wherever applicable.
(iv) The SLC may reject the application/ representation made by the unit if it is satisfied that the conditions specified are not fulfilled, without giving notice to the unit.

6. The Commissioner of Industries, Vijayawada shall take necessary action accordingly.

7. This order is issued with the concurrence of Finance Department vide UO NO. 58030/16/FMU I & C/2018 Dt.25/09/2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner of Industries, Govt. of Andhra Pradesh, Vijayawada.
Copy to:
The VC & MD, APIIC, Vijayawada.
All the District Collectors in Andhra Pradesh.
All the General Managers, DICs in Andhra Pradesh through Commissioner of Industries, Vijayawada.

The Finance (FMU, I&C) Dept.,
The Principal Secretary to CM, CMO, AP. Secretariat.
PS to Minister for Ind. & Com., A.P. Secretariat.
The Secretary to Govt. Ind & Com. (Textiles) Dept.,
The Secretary to Govt. Ind. & Com. (Food Processing) Dept.
The Principal Secretary to Govt., ITE & C Dept
The Principal Secretary to Govt., Energy, I&I Dept.,
The Secretary to Govt.& CIP, Ind. & Com. Dept., A.P. Secretariat.
All the HoDs under the control of Ind. & Com. Dept.,
The Ind. & Com.(Infra) Dept.,
The Ind. & Com. (Prog.I, Prog.II & Prog.III) Dept.
Law (H) Department.
SF/SC.

//FORWARDED BY ORDER//

SECTION OFFICER